

Department of Social and Health Services

DP Code/Title: M1-01 Mandatory Caseload Changes

Agency Wide

There are 5 Programs in this DP

Budget Period: 2001-03 Version: 22 2001-03 1st Sup Agency Request

Recommendation Summary Text:

Program(s): 010

This package is an update to reflect the November 2001 Caseload Forecast adopted by the Caseload Forecast Council (CFC) and the expenditure forecast projected by the Department of Social and Health Services Office of Forecasting and Policy Analysis for the Adoption Support and Foster Care (ASFC) programs.

Program(s): 030

This item reflects changes in Medicaid forecast for Fiscal Year 2002 and 2003. The Medicaid eligibles forecast is used as the basis for funding levels to the Regional Support Networks (RSNs).

Program(s): 050

This item reflects the costs and savings associated with caseload changes in the November 2001 Caseload Forecast Council (CFC) workgroup recommendations for the 2001-03 Biennium. Also included are the accompanying per capita and expenditure changes per the Department of Social and Health Services (DSHS) Forecast Office, October 2001 Forecast for Long-Term Care (LTC).

Program(s): 060

This is a placeholder decision package which will be updated in November 2001. The adjustment is necessary to reflect the allotment changes associated with forecasted program caseload for the Economic Services Administration.

Program(s): 080

This decision package is a placeholder to fund the 2001 Medical Assistance Administration (MAA) Forecast.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	6,617,000	11,864,000	18,481,000
001-A General Fund - Basic Account-DSHS Fam Support/Chi	(214,000)	2,192,000	1,978,000
001-C General Fund - Basic Account-DSHS Medicaid Federa	324,967,000	80,392,000	405,359,000
760-1 Health Services Account-State	328,000,000	81,000,000	409,000,000
Total Cost	659,370,000	175,448,000	834,818,000

Staffing

Package Description:

Program(s): 010

Children are placed in out-of-home care to protect them from abuse and neglect and to provide the necessities of life such as food, clothing, and shelter when their parents can no longer care for them. Forecasted services are designed to ensure the safety of children and assist children who are temporarily or permanently removed from their parents' homes. Primary responsibility for caring for children requiring out-of-home supports rests with the state. Federal law requires states to provide child welfare services to children through age 18.

With enactment of the Adoption and Safe Families Act several federal requirements partially drive the forecasted need. Required outcomes include increased permanency for children in care, increased adoptions, reduced length of stay for children in temporary out-of-home care, increased stability for children in care, and reduced re-entry into care. The Children's Administration (CA) continues to strive towards meeting the federal performance requirements.

The forecast for the ASFC caseloads is updated annually (October/November), approved, and adopted by the CFC. Once a forecast is developed, budgets for the affected caseloads are adjusted to reflect the new projection.

Funding the forecasted need for ASFC ensures that children who are in need of protection will continue to be assisted temporarily or permanently through Washington State's child welfare system.

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Program(s): 030

State funding for mental health services for low-income individuals is allocated through a per capita payment from the state to RSNs. As the caseload forecast for Medicaid eligibles is adjusted, the level of funding for community mental health programs administered by the RSNs changes. This item requests funding related to the change in forecasted Medicaid eligibles for Fiscal Years 2002 and 2003.

Program(s): 050

This decision package reflects the costs and savings associated with changes in the number of clients expected to use major services provided by Washington State's LTC programs. Totals are based on forecasts developed by the CFC for Nursing Homes and Home and Community Services. The CFC is projecting the following for 2001-03 Biennium:

	FY02	FY03
Nursing Facilities	13,200	12,788
Adult Family Home	3,322	3,498
Adult Residential Care	1,316	1,358
Assisted Living	3,593	4,151
In-Home Services	23,749	24,903

(Note: These forecast numbers include steps for policy items added in the initial 2001-03 Budget such as the Community Options Program Entry Services (COPES) waiver for the Medically Needy. The impacts of these steps were not included in the caseload numbers used as the base for the Mandatory Workload calculations.)

The impacts of revised caseload estimates for Private Duty Nursing and Adult Family Homes developed by the DSHS Forecast Office are also included.

The DSHS Forecast Office also develops revised per capita cost estimates for Home and Community Based services and expenditure estimates for items such as Nursing Facility Discharge Payments and Estate Recoveries. These anticipated cost changes are also reflected in this decision package.

Program(s): 060

This adjustment is necessary to reflect the changes associated with forecasted program caseloads. The funding associated with each caseload have been adjusted to reflect the November 2001 forecast.

Program(s): 080

This step depicts the fiscal impact from forecasted changes in MAA caseloads and includes the additional federal and Health Services Account revenues related to the new calculation from the Nursing Home ProShare program. The amounts shown represent the change between the 2001-03 Biennial Budget and the November 2001 MAA Forecast amounts for Fiscal Years 2002 and 2003. These amounts reflect changes in caseload size as forecasted for the various MAA client populations and related per capita costs.

Narrative Justification and Impact Statement

How contributes to strategic plan:

Program(s): 010

Funding for the forecasted need for Adoption Support and Foster Care supports the CA goals of child safety, child and family well-being, and permanency for children in out-of-home care.

The CA is committed to protecting children from abuse and neglect, improving the well-being of children in out-of-home care by providing adequate services to meet their needs, and providing stable nurturing and permanent placements as quickly as possible for children in out-of-home care.

Program(s): 050

Caseload changes reflect the administration's "Addressing Client and Family Needs" goals to: ensure Medicaid benefits are

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readily accessible and client friendly; respond holistically to clients' medical, cognitive, and functional needs; enhance the array of individualized LTC service options; and strengthen LTC caregiver workforce (wages, benefits, oversight) as part of an overall goal of keeping benefits readily accessible. Also the "Budget Performance and Economic Value" goal to reduce unnecessary nursing home capacity and Medicaid nursing home caseload.

The forecast that drives the caseload change indicates a decrease in nursing home beds. This and the other forecast driven caseload changes reflect the agency balanced scorecard goals of ensuring a safety net is in place for people of need, clients maintain maximum independence, services are of high quality, people participate in choices about their services, and clients experience stability.

The caseload changes also reflect the Governor's goal to achieve high performance government - improve quality, customer service, and reduce costs.

Program(s): 060

Ensuring adequate funding for the forecasted caseloads helps meet the goal of maintaining a safety net for people in need.

Program(s): 080

This step contributes to the agency's strategic plan by assuring that MAA clients have access to quality health care.

Performance Measure Detail

Program: 010

Goal: 01A Children will be safe from abuse and neglect

No measures submitted for package

Incremental Changes

FY 1

FY 2

Goal: 03A Provide stable and permanent placements for children

No measures submitted for package

Incremental Changes

FY 1

FY 2

Goal: 08A Children and Family Well-Being

No measures submitted for package

Incremental Changes

FY 1

FY 2

Program: 030

Goal: 09C Optimize services within resources

No measures submitted for package

Incremental Changes

FY 1

FY 2

Program: 050

Goal: 02E Address Client and Family Needs

No measures submitted for package

Incremental Changes

FY 1

FY 2

Goal: 03E Budget Performance and Economic Value

No measures submitted for package

Incremental Changes

FY 1

FY 2

Program: 060

Goal: 02F Maintain safety net for people in need.

No measures submitted for package

Incremental Changes

FY 1

FY 2

Program: 080

Goal: 10H Assure access to high quality health care

No measures submitted for package

Incremental Changes

FY 1

FY 2

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Reason for change:**Program(s): 010**

The budgets for the Foster Care and Adoption Support Services are updated to reflect the November 2001 Forecast.

Program(s): 030

This change funds RSNs according to the authorized model. As the number of eligibles changes, funding levels change accordingly.

Program(s): 050

The expenditures presented in this decision package reflect the most current forecasts of caseload and accompanying per capita and expenditures for LTC programs.

Program(s): 060

The adjustments in funding levels for caseloads reflect forecasted changes in the number of cases for which grants must be provided. The change in dollar amounts associated with each caseload do not reflect any changes in the type of service provided by the program.

Program(s): 080

The request reflects forecasted changes in the MAA caseload to maintain health services coverage for additional MAA clients for the remainder of the 2001-03 Biennium at service levels (amount, duration, and scope).

Impact on clients and services:**Program(s): 010**

This item will allow the CA to provide a continuous level of service based on caseload projections updated annually.

Program(s): 030

The RSNs operate by receiving managed care inpatient and outpatient payments, which are based on a rate per eligible disbursement. As the number of Medicaid eligibles changes, so does the funding for the RSNs.

Program(s): 050

This step reflects the costs associated with providing services to the number of clients eligible, under current law, for the Aging and Adult Service Administration's programs.

Program(s): 060

By ensuring that adequate funding is available for the changing caseloads, the department will be able to provide grants to those who meet current program requirements.

Program(s): 080

This step includes funding projected as necessary to maintain existing services in the amount, duration, and scope as are available to persons who are currently eligible for medical assistance and for additional persons who will become eligible for MAA services in Fiscal Years 2002 and 2003.

Impact on other state programs:**Program(s): 010 030 050**

None

Program(s): 060

Failure to adequately fund grants for the forecasted caseloads could have far reaching implications for other programs, such as food stamps, foster care, and aging services.

Program(s): 080

Funding in this step directly affects clients of virtually all other Department of Social and Health Services (DSHS) programs. MAA is obligated to pay the costs of certain necessary medical services for eligible MAA clients served by the Aging and Adult Services Administration, for medical assistance-eligible children served by the Children's Administration, and for eligible Health and Rehabilitative Services Administration clients. In short, basic medical care services for eligible DSHS populations are the responsibility of MAA. As stated above, the funding sought in this step assures that these populations and persons who are solely MAA-eligible clients, will have access to medical services of the amount, duration, and scope currently defined in the State Plan for Medical Assistance.

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Relationship to capital budget:

Program(s): 010 030 050 060 080

None

Required changes to existing RCW, WAC, contract, or plan:

Program(s): 010 030 050 060 080

No revisions needed if funding is approved. It is likely that numerous RCW, WAC, and State Plan revisions would be required if funding for this step is not approved.

Alternatives explored by agency:

Program(s): 010

None. Federal law requires that states provide child welfare services to children through the age of 18. The forecasted need requires funding to operate a child welfare program at the same level that is currently provided for Washington State residents.

Program(s): 030

None

Program(s): 050

Alternatives have been explored in the past with the caseload driven forecast determined as the most appropriate alternative to provide the balance of service and funding requirements.

Program(s): 060

None

Program(s): 080

The MAA caseload is considered an entitlement; thus, no alternatives were explored.

Budget impacts in future biennia:

Program(s): 010

The Adoption Support and Foster Care budgets are reforecasted each year.

Program(s): 030

Costs associated with the caseload in future biennia will be determined by future caseload projections.

Program(s): 050

Future biennia budget impacts will be driven by caseload trends. Caseload levels experienced in Fiscal Year 2003 can be expected to carry forward into future biennia.

Program(s): 060

Costs associated with the caseload in future biennia will be determined by caseload projections.

Program(s): 080

This caseload is forecasted every budget cycle. The estimated minimum size of future budgetary impacts would include this funding as adjusted by any subsequent forecast.

Distinction between one-time and ongoing costs:

Program(s): 010 030

Costs in this package are ongoing.

Program(s): 050 060

Caseload changes are ongoing costs as adjusted by the forecast.

Program(s): 080

Costs in this package are ongoing.

Effects of non-funding:

Program(s): 010

Fewer children requiring the state's protection and care would receive services.

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Program(s): 030

If this item is not funded, there may be adverse affects to mentally ill clients who do not receive the services they need. Some impacts could include more costly consequences, such as expensive state hospital services, court ordered treatments, and an increased demand on the Department of Corrections system.

Program(s): 050

It is likely that numerous RCW, WAC, and State Plan revisions would be needed if the funding in this step is not approved. Changes in eligibility (for example, decreasing income level for eligibility) would be required if funding is not available for increased caseload census. These changes would mean that clients currently receiving services, and those who might need services in the future, would not have access to those services.

Program(s): 060

If this step were not funded the department would be unable to meet the anticipated caseload in the affected programs.

Program(s): 080

Non-funding of the caseload step is likely to result in steps by MAA to drop coverage for certain optional eligibility groups and/or eliminate certain optional medical assistance services. Such actions would negatively affect the health status of the impacted populations and, in some instances, contribute to the costs of uncompensated care in Washington State's health system as a whole.

Expenditure Calculations and Assumptions:

Program(s): 010

Attachment "CA M1-01 Mandatory Caseload Changes.xls" will be provided with the November 2001 Forecast.

Program(s): 030

Attachment "MHD M1-01 Mandatory Caseload Changes.xls" will be provided with the November 2001 Forecast.

Program(s): 050

Attachment "AASA M1-01 Mandatory Caseload Changes.xls" will be provided with the November 2001 Forecast.

Program(s): 060

The requested funding is based on the difference between the amount allotted versus the newly forecasted caseloads as determined in the official November 2001 forecast.

Program(s): 080

Please refer to the November 2001 MAA Forecast for further documentation.

Object Detail

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
N Grants, Benefits & Client Services	659,370,000	175,448,000	834,818,000

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DSHS Source Code Detail

		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding				
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	6,617,000	11,864,000	18,481,000
<i>Total for Fund 001-1</i>		<u>6,617,000</u>	<u>11,864,000</u>	<u>18,481,000</u>
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi				
<u>Sources</u>	<u>Title</u>			
659A	Title IV-E Adoption Assistance (FMAP)	(214,000)	2,192,000	1,978,000
<i>Total for Fund 001-A</i>		<u>(214,000)</u>	<u>2,192,000</u>	<u>1,978,000</u>
Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa				
<u>Sources</u>	<u>Title</u>			
19TA	Title XIX Assistance (FMAP)	324,967,000	80,392,000	405,359,000
<i>Total for Fund 001-C</i>		<u>324,967,000</u>	<u>80,392,000</u>	<u>405,359,000</u>
Fund 760-1, Health Services Account-State				
<u>Sources</u>	<u>Title</u>			
7601	Health Services Account	328,000,000	81,000,000	409,000,000
<i>Total for Fund 760-1</i>		<u>328,000,000</u>	<u>81,000,000</u>	<u>409,000,000</u>
Total Overall Funding		<u>659,370,000</u>	<u>175,448,000</u>	<u>834,818,000</u>

Funding Totals by Program

Dollars in Thousands

<u>Program</u>	<u>FTE's</u>		<u>GF-State</u>		<u>Total Funds</u>	
	<u>FY 1</u>	<u>FY 2</u>	<u>FY 1</u>	<u>FY 2</u>	<u>FY 1</u>	<u>FY 2</u>
010 Children's Administration	0.0	0.0	(378)	3,869	(630)	6,448
030 Mental Health	0.0	0.0	2,495	2,495	5,000	5,000
050 Long Term Care Services	0.0	0.0	(2,500)	(2,500)	(5,000)	(5,000)
060 Economic Services Admin	0.0	0.0	7,000	8,000	7,000	8,000
080 Medical Assistance	0.0	0.0	0	0	653,000	161,000
Grand Total:	<u>0.0</u>	<u>0.0</u>	<u>6,617</u>	<u>11,864</u>	<u>659,370</u>	<u>175,448</u>

State of Washington
Department of Social and Health Services
Budget Unit Summary for DP: M1-01-Mandatory Caseload Changes
Version: 22 - 2001-03 1st Sup Agency Request

Budget Period:2001-03

Budget Level Criteria: M1 Only
DP Criteria: 01
Data Type Criteria: Choose a DP

Dollars in Thousands		FTES			Fiscal Year 1			Fiscal Year 2			Total Biennium		
Sprg	Budget Unit	FY 1	FY 2	Annual Average	General		Total Funds	General		Total Funds	General		Total Funds
					Fund State	Other Funds		Fund State	Other Funds		Fund State	Other Funds	
Program 010 - Children's Administration													
1000	C16 Adoption Program	0.0	0.0	0.0	(378)	(252)	(630)	3,869	2,579	6,448	3,491	2,327	5,818
Total Proposed Budget for Program 010 - Children's Administration		0.0	0.0	0.0	(378)	(252)	(630)	3,869	2,579	6,448	3,491	2,327	5,818
Program 030 - Mental Health													
1000	G75 Comm Outpatient Svs	0.0	0.0	0.0	2,495	2,505	5,000	2,495	2,505	5,000	4,990	5,010	10,000
Total Proposed Budget for Program 030 - Mental Health		0.0	0.0	0.0	2,495	2,505	5,000	2,495	2,505	5,000	4,990	5,010	10,000
Program 050 - Long Term Care Services													
2000	X64 Assisted Living	0.0	0.0	0.0	(2,500)	(2,500)	(5,000)	(2,500)	(2,500)	(5,000)	(5,000)	(5,000)	(10,000)
Total Proposed Budget for Program 050 - Long Term Care Services		0.0	0.0	0.0	(2,500)	(2,500)	(5,000)	(2,500)	(2,500)	(5,000)	(5,000)	(5,000)	(10,000)
Program 060 - Economic Services Admin													
1000	J90 Refugee & Immigration Svs	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0
1000	X10 TANF Assistance	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0
1000	X14 SSI Prg-ST Adminstrd Pymt	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0
1000	X15 Gen'l Asst-Unempl (GA-U)	0.0	0.0	0.0	7,000	0	7,000	8,000	0	8,000	15,000	0	15,000
1000	X17 CEAP	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0
1000	X18 Diversion Assistance	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0
1000	X30 Child Support Recoveries	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0
1000	X31 Immigrant State Food Asst Pg	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0
2000	X22 Child Care	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0
Total Proposed Budget for Program 060 - Economic Services Admin		0.0	0.0	0.0	7,000	0	7,000	8,000	0	8,000	15,000	0	15,000

State of Washington
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Version: 22 - 2001-03 1st Sup Agency Request

Budget Period:2001-03
Budget Level Criteria: M1 Only
DP Criteria: 01
Data Type Criteria: Choose a DP

Dollars in Thousands		FTES		Fiscal Year 1			Fiscal Year 2			Total Biennium		
		FY 1	FY 2	Annual Average	General		General		General		General	
Sprg	Budget Unit				Fund State	Other Funds	Fund State	Other Funds	Fund State	Other Funds	Fund State	Other Funds
Program 080 - Medical Assistance												
1000	J90 Refugee & Immigration Svs	0.0	0.0	0.0	0	0	0	0	0	0	0	0
1000	X50 Medicaid - Cat Needy	0.0	0.0	0.0	0	0	0	0	0	0	0	0
1000	X51 Medicaid Medically Needy	0.0	0.0	0.0	0	0	0	0	0	0	0	0
1000	X52 State Only General Assist	0.0	0.0	0.0	0	0	0	0	0	0	0	0
1000	X53 State Only Medical Indig	0.0	0.0	0.0	0	0	0	0	0	0	0	0
1000	X54 DSH Proshare & SWAP Programs	0.0	0.0	0.0	0	653,000	0	161,000	0	161,000	0	814,000
1000	X58 Children's Health Insurance Program	0.0	0.0	0.0	0	0	0	0	0	0	0	0
Total Proposed Budget for												
Program 080 - Medical Assistance		0.0	0.0	0.0	0	653,000	0	161,000	0	814,000	0	814,000
Total Proposed Budget for												
DP: M1-01-Mandatory Caseload Changes		0.0	0.0	0.0	6,617	652,753	11,864	163,584	175,448	816,337	18,481	834,818